

UNCLASSIFIED

Iraq

Status Report

January 13, 2010



Bureau of Near Eastern Affairs
U.S. Department of State

UNCLASSIFIED



TABLE OF CONTENTS

HIGHLIGHTS	3
POLITICAL	
• Governance & Legislation	4
SECURITY	
• Situation Update	9
ECONOMIC	
• Oil	11
• Fiscal and Monetary Affairs	13
• Private Sector	15
• Public Services – Electricity	16
DIPLOMATIC	
• Political Engagement	17
BEYOND BAGHDAD	18
Contact Information, Notes and Source Citations	19

HIGHLIGHTS



- **COR Appoints New Deputy Prime Minister (*POLITICAL*, page 4)**
- **Baghdad Locked Down after Car-Bomb Threats (*SECURITY*, page 9)**
- **Iraq Joins Transparency Initiative to Fight Corruption in Oil Sector (*ECONOMIC*, page 12)**
- **Iraq and Iran are to Begin Border Demarcation Talks (*DIPLOMATIC*, page 17)**

POLITICAL - Governance & Legislation

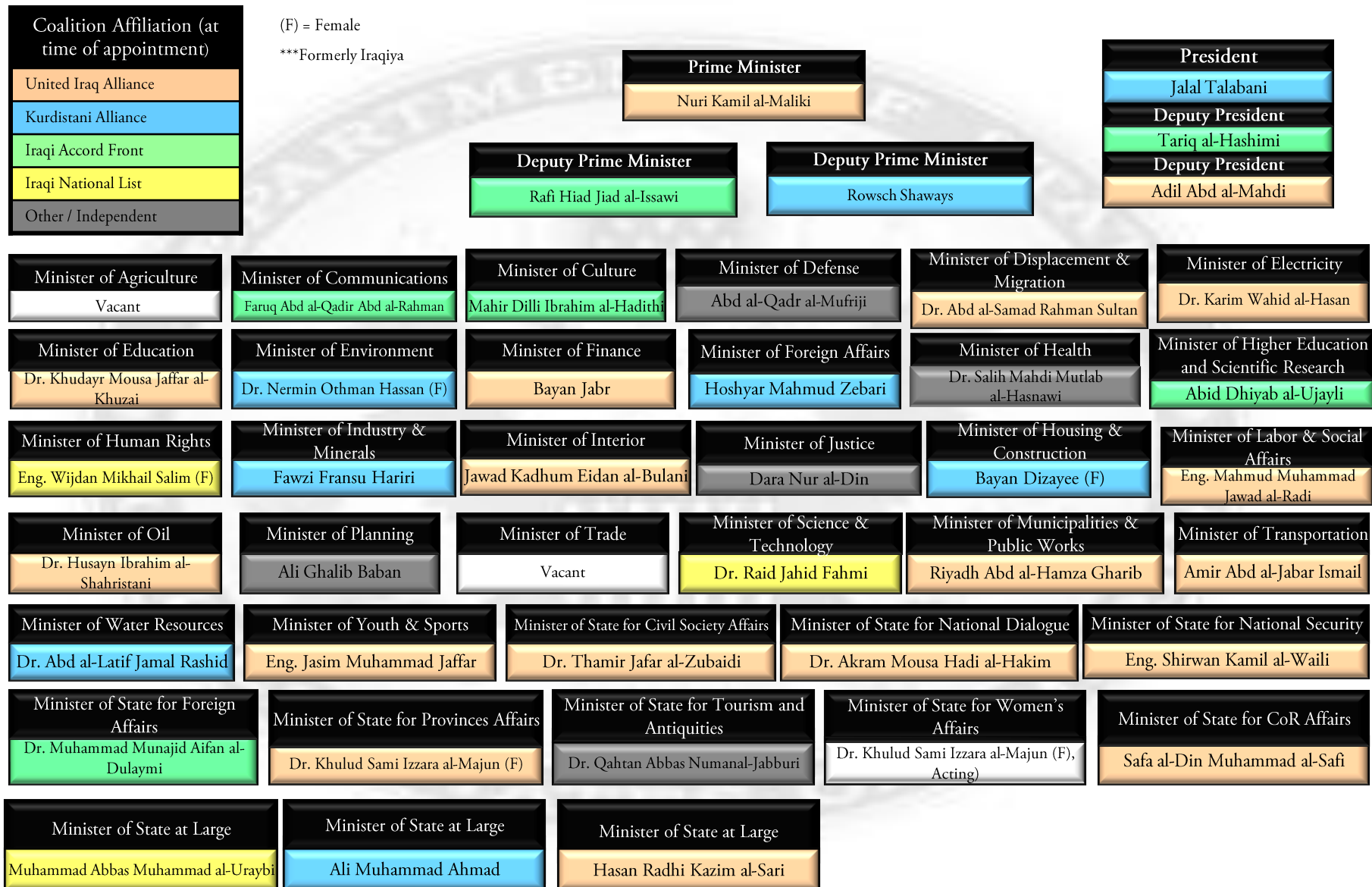


The Iraqi parliament appoints a new deputy prime minister

New Deputy Prime Minister Announced:

- The Iraqi parliament announced that Rowsch Shawis was confirmed as Iraq's deputy prime minister in place of Barham Salih on January 11. Shawis is a member of President Massud Barzani's Kurdistan Democratic Party.

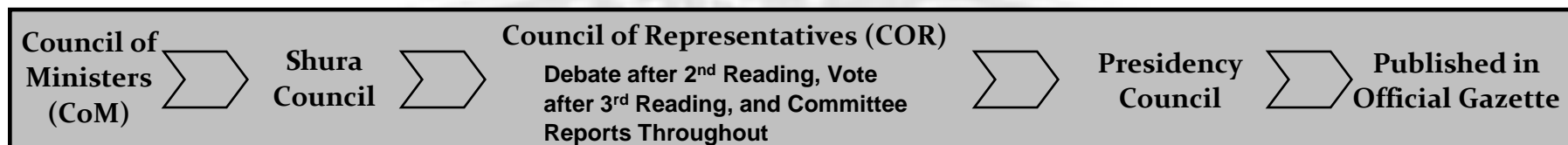
POLITICAL – Government of Iraq





POLITICAL – Key Legislative Issues

Legislative Process



- **Hydrocarbons Package:** The Framework Law was resubmitted to the Oil and Gas Committee on October 26, 2008 and then returned to the Council of Ministers. There has been no progress on the other three laws in the package.
- **NGO Law:** This law will regulate the operations and funding of Non-Governmental Organizations operating within Iraq. It received its first reading in the Council of Representatives on April 20, 2009.
- **National Elections Law:** The amended election law was approved by the Presidency Council on December 6.

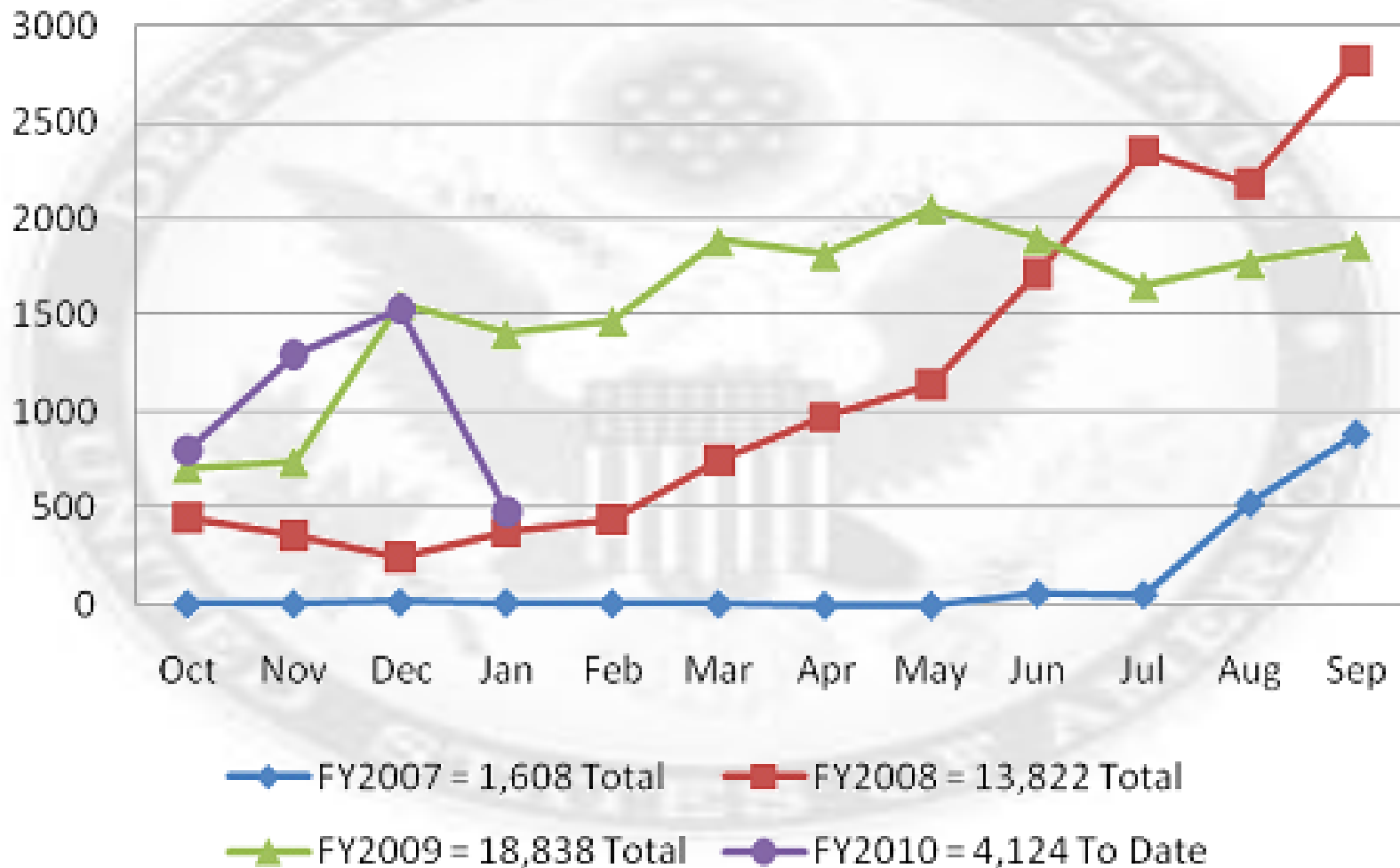
POLITICAL - Refugee Update



- **There are approximately 295,000 Iraqi refugees currently registered with UNHCR in neighboring countries. There are likely significant numbers of unregistered refugees as well. UNHCR reports that 1.5 million Iraqis displaced by sectarian violence following the Samarra Mosque bombing of February 2006 remain internally displaced in Iraq.**
- **In FY09, the State Department's Bureau of Population, Refugees and Migration contributed \$ 303.4 million to international organizations and nongovernmental organizations to assist displaced Iraqis inside the country and in the region.**
- **Since the program's inception in FY07, 38,392 Iraqi refugees have been admitted for U.S. resettlement, an increase of 855 since the last report. The U.S. admitted 18,838 Iraqi refugees in FY09.**
- **As of September 2009, a total of 1,606 Special Immigrant Visa (SIVs) have been issued for Iraqi translators and interpreters (and their dependents) since FY07 (under the Section 1059 program).**
- **As of September 2009, a total of 3,028 SIVs have been issued for Iraqis employed by or on behalf of the U.S. government (and their dependents) since FY08 (under the Section 1244 program).**
- **Secretary of State Hillary Clinton announced July 24 that the United States was contributing more than \$100 million in new assistance to support the return and reintegration of displaced Iraqis.**

POLITICAL - Refugee Update

Iraqi Admissions to the U.S.



SECURITY – Situation Update



GOI and Iraqi Security Forces intensify efforts to combat terror attacks ahead of the national elections

Baghdad Locked Down after Car-Bomb Threats:

- A portion of Baghdad was locked down by Iraqi Security Forces on January 12 in order to conduct coordinated searches for possible car bombs. Major General Qassim Atta, spokesman for Baghdad's military command, told reporters that "Terrorist groups intended to detonate car bombs in Baghdad on [January 13 in the morning]." Government spokesman Ali al-Dabbagh told reporters that the car bombs were intended to strike "sensitive government sites" but would not give specific details.

Anbar Provincial Police Targeted in Series of Five Bombings:

- In an apparent targeted attack on Anbar's police, five near-simultaneous bomb blasts killed seven people and wounded ten more on January 7. Iraqi Police had placed a curfew on the town of Hit in the early morning to look for two suicide bombers who had been reported to be in the area when the first explosion brought down the home of Lt. Col. Waleed Mohammed Suleiman, the head of the city's counter-terrorism department. It killed two of his sisters, his mother, his son, his brother and a police officer posted outside. The four other bombs targeted the homes of Suleiman's father, a lawyer, a counter-terrorism police officer and Hit's deputy police chief as he made his way to the bombing locations.

SECURITY – Situation Update



GOI and Iraqi Security Forces intensify efforts to combat terror attacks ahead of the national elections

Lawmaker's Convoy Attacked; Five Killed:

- An Iraqi lawmaker's convoy was attacked in Baghdad on January 11 when one of the vehicles in the convoy exploded, injuring five people. The Shi'a lawmaker, Izzat al-Shabander, was not with the convoy when the bomb exploded. The five injured included Shabander's three bodyguards and two bystanders.

ECONOMIC – Oil



Crude Oil Update:

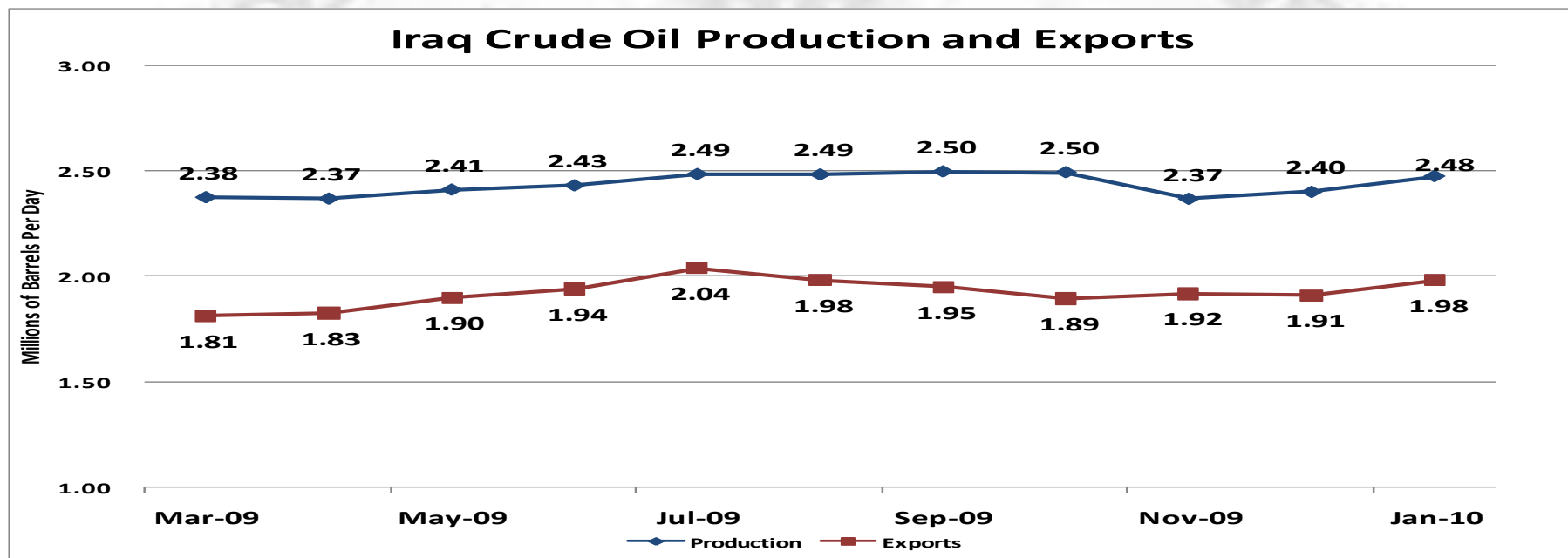
Price averages in world markets closed with the following prices:

Basrah Light at \$ 78.23/barrel

Dated Brent at \$80.84/barrel

WTI Cushing at \$82.37/barrel

Oman/Dubai at \$80.35/barrel



Revenue estimates:

2008: \$41.0 Billion

2009: \$61.9 Billion

2010 (ytd): \$39.95 Billion

*Approximate estimate.

ECONOMIC – Oil



Iraq takes steps to battle corruption amid contract approval

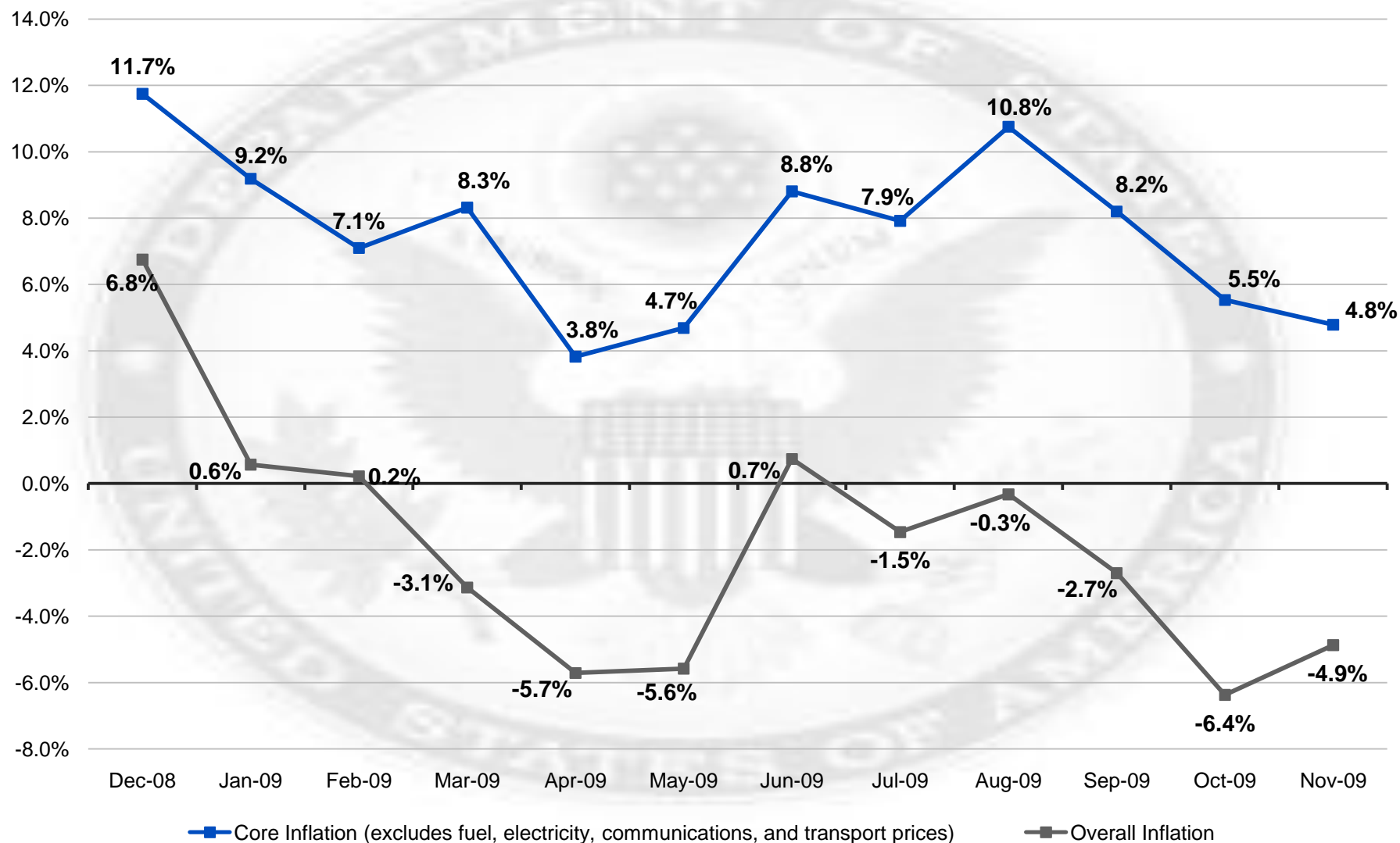
Iraq Joins Transparency Initiative to Fight Corruption in Oil Sector :

- In a bid to move away from longstanding corruption, Iraq has joined the Oslo – based Extractive Industries Transparency Initiative (EITI), “which establishes a worldwide standard for transparency in oil, gas and mining by pushing companies to disclose what they pay in taxes and royalties to governments, and for governments to disclose the receipt of such payments.” Iraq is ranked 5th from the bottom on Transparency International’s corruption list. “As a permanent member of EITI, Iraq will be required to issue annual reports on crude production and revenue and oil companies working in the country will have to submit reports on production.” Iraq made its official request to join the EITI at the last International Compact with Iraq Ministerial held in Stockholm on May 29, 2008.

ECONOMIC - Fiscal and Monetary Affairs



Year-on-Year Inflation



ECONOMIC – Fiscal and Monetary Affairs



Economic Indicator	This Week	Last Week	Last Month	Last Year
Iraqi Commercial Bond Sales				
Price (USD)	\$77.13	\$77.37	\$76.56	\$64.50
Yield	8.26%	8.35%	8.36%	10.32%

ECONOMIC – Private Sector



Lufthansa Airlines may resume flights to Iraq

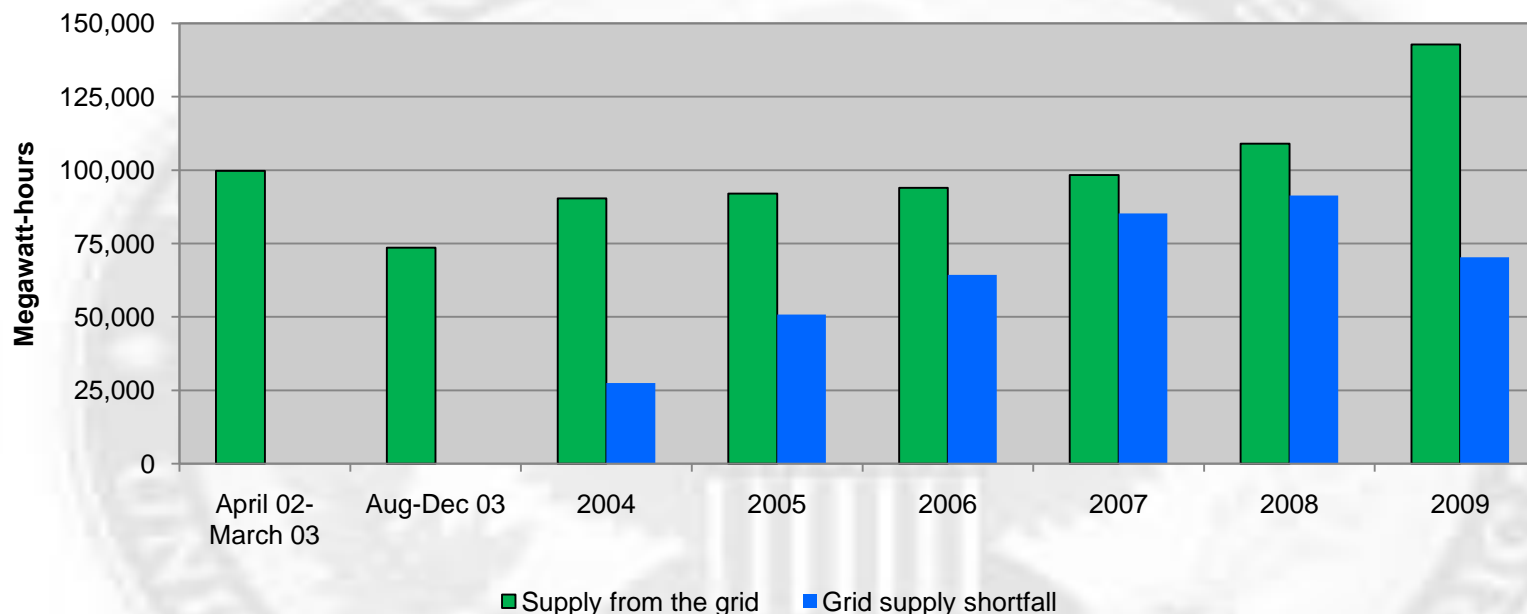
Lufthansa May Resume Flights to Iraq :

- Lufthansa Airlines may resume flights to Iraq this summer after 20 years of suspended service. The carrier would have flight routes to Baghdad and Erbil. The move comes after prospects of economic growth have fueled demand for travel to and from Iraq.

Public Services – Electricity



Average Daily Electricity Supply from the Grid And Post-War Supply Shortfall



- 2009 continued and accelerated the growth in grid power that began in September 2007. For the first time, the growth has significantly reduced the gap between grid supply and estimated demand.
- Two points to bear in mind: (1) Demand is estimated by a computer model and may understate actual demand. Metrics based on demand, such as hours of power, therefore should be viewed as indicators of the direction of change and not as precise measures. (2) An unknown part of the gap between supply and demand is filled by private generation.

DIPLOMATIC – Political Engagement



Iraqi officials address outstanding border issues with Iranian counterparts

Iraq and Iran to Discuss Border Issues:

- **Iranian Foreign Minister Manouchehr Mottaki announced that the governments of Iraq and Iran expect to begin talks about bilateral border demarcation. Mottaki made the announcement during a joint press conference in Baghdad with Iraqi Foreign Minister Hoshyar Zebari. The joint press conference marked the end of a one-day visit to Baghdad by an Iranian delegation led by Foreign Minister Mottaki.**

Beyond Baghdad



Members of PRT Ninewa provide mother/infant health training

Ninewa

“...we will help Iraq's institutions strengthen their capacity to protect the rule of law, confront corruption, and deliver basic services.”

President Barack Obama

Recent Highlights

PRT Ninewa, working in conjunction with the U.S. Army's 364th Medical Civil Affairs Team, held a public-health training session for 55 Iraqi health care professionals focusing on skills and techniques to reduce infant mortality rates in Ninewa province. Statistics indicate that the mother/infant mortality rate in Iraq is currently nine times higher than in the U.S. The PRT health advisors and their military counterparts trained Iraqi health care professionals in “identifying potential maternal risks, proper delivery techniques, and the identification and treatment of childhood disease.”

Kirkuk

PRT Kirkuk recently facilitated a meeting and dialogue between 13 ethnically and politically diverse elections-focused NGOs operating in the province. The NGOs discussed their role in the elections process and identified voter education, helping with security and monitoring as three key components to successful elections. Meetings such as these are important lessons for outlining what civil society organizations should do prior to the elections to support the democratic process. The group agreed to a follow-up meeting in the future to discuss lessons learned and best practices.



CONTACT INFORMATION

This brief draws from multiple sources. References are cited on the following pages.

For additional information, please see:

- Department of State, Section 2207 Report on Iraq Relief and Reconstruction
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of State, Section 1227 Report on Iraq
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of Defense, Section 9010 Measuring Stability and Security in Iraq
http://www.defenselink.mil/home/features/Iraq_Reports/index.html

Please forward all questions and/or comments to:

NEA-I-IPOG-DL@state.gov



NOTES AND SOURCE CITATIONS (1 of 2)

Slide 4:

- AFP, January 12, http://www.iol.co.za/index.php?from=rss_World&set_id=1&click_id=3&art_id=nw20100112131952302C412025

Slide 5-8:

- Department of State, NEA Political Section, NEA-I-POL-DL@state.gov

Slide 9:

- AP, January 12, http://hosted.ap.org/dynamic/stories/M/ML_IRAQ?SITE=CTNHR&SECTION=HOME&TEMPLATE=DEFAULT) (AFP, January 12, http://uk.news.yahoo.com/18/20100112/twl-mass-car-bomb-threats-prompt-baghdad-3cd7efd_3.html)
- Dallas News, January 8 http://www.dallasnews.com/sharedcontent/dws/news/world/stories/DN-iraq_08int.ART.State.Edition1.4bc409d.html; (AFP, January 7, http://uk.news.yahoo.com/18/20100107/twl-seven-killed-in-iraq-blasts-targetin-3cd7efd_1.html)

Slide 10:

- AP, January 11, http://hosted.ap.org/dynamic/stories/M/ML_IRAQ?SITE=ORROS&SECTION=HOME&TEMPLATE=DEFAULT

Slides 11:

- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov

Slide 12:

- Reuters, January 10, http://news.yahoo.com/s/nm/20100110/bs_nm/us_iraq_oil_transparency_1)

Slide 13:

- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov



NOTES AND SOURCE CITATIONS (2 of 2)

Slide 14:

- Department of State, NEA/I Iraq Policy and Operations Group, NEA-I-IPOG-DL@state.gov

Slide 15:

- Bloomberg, January 12, <http://www.bloomberg.com/apps/news?pid=newsarchive&sid=almM3M7nowCI>

Slide 16:

- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov

Slide 17:

- AFP, January 7, http://news.yahoo.com/s/afp/20100107/wl_mideast_afp/iraqirandiplomacy_20100107155612

Slide 18:

- Source for Stories: U.S. Embassy Baghdad, http://iraq.usembassy.gov/ninewa_prt12272009.html
- -PRT Weekly Summary, December 20-26, 2009
- -Source for President Obama's Quote: http://www.whitehouse.gov/the_press_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/